

## Article - Tax - Property

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§7–202.

(a) In this section:

(1) “fraternal organization” means any organization that:

(i) is conducted solely for the benefit of its members and its beneficiaries;

(ii) is operated on a lodge system with a ritualistic activity; and

(iii) has a representative form of government;

(2) “fraternal organization” includes a sororal organization; and

(3) “fraternal organization” does not include:

(i) any college or high school fraternity or sorority; or

(ii) any other fraternal or sororal organization the membership of which is restricted wholly or largely to students or graduates of an educational institution or a professional school.

(b) (1) Except as provided in subsection (c) of this section and subject to § 7–204.1 of this subtitle, property is not subject to property tax if the property:

(i) is necessary for and actually used exclusively for a charitable or educational purpose to promote the general welfare of the people of the State, including an activity or an athletic program of an educational institution; and

(ii) is owned by:

1. a nonprofit hospital;

2. a nonprofit charitable, fraternal, educational, or literary organization including:

A. a public library that is authorized under Title 23 of the Education Article; and

B. a men's or women's club that is a nonpolitical and nonstock club;

3. a corporation, limited liability company, or trustee that holds the property for the sole benefit of an organization that qualifies for an exemption under this section; or

4. a nonprofit housing corporation.

(2) The exemption under paragraph (1)(ii)1 of this subsection includes any personal property initially leased by a nonprofit hospital for more than 1 year under a lease that is noncancellable except for cause.

(c) (1) This subsection does not apply to real property owned by a nonprofit charitable museum that:

(i) is open to the public; and

(ii) does not charge an admission fee.

(2) Except for a nonprofit hospital, not more than 100 acres of real property owned by an exempt organization and appurtenant to the premises of the exempt organization is exempt from property tax, if the property is located outside of a municipal corporation or Baltimore City.

(3) Not more than 100 acres of real property of a nonprofit hospital that is appurtenant to the hospital is exempt from property tax.

(d) (1) Notwithstanding § 7-104 of this title and after filing the application provided by § 7-103 of this title, property tax on any property that is transferred to a nonprofit charitable organization is abated from the date during the taxable year when the instrument transferring title to the organization is recorded if:

(i) the property is transferred to a nonprofit charitable organization qualified under § 501(c)(3) of the Internal Revenue Code;

(ii) the property becomes exempt under this section;

(iii) the property has a value less than \$300,000 as listed in the records of the Department on the date when the instrument transferring title to the organization is recorded; and

(iv) the nonprofit charitable organization provides the Department evidence of the property tax it actually paid or reimbursed at the property settlement.

(2) The amount of property tax abated under this subsection may not exceed the amount of property tax actually paid or reimbursed by an eligible organization at the property settlement.

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